



U.S. Department of Justice

*United States Attorney
Eastern District of New York*

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May 23, 2018

By ECF and Interoffice Mail

Honorable Ann M. Donnelly
United States District Judge
Eastern District of New York
225 Cadman Plaza East
Brooklyn, New York 11201

Re: United States of America v. Jordan Ross Belfort,
1:18-CV-03016 (AMD)(LB) (E.D.N.Y.)

Dear Judge Donnelly:

The government respectfully writes in connection with the above-referenced case. We enclose herewith a proposed order, granting the government's motion to compel compliance with document subpoenas (the "motion to compel"), which was initially filed in the District of Nevada and assigned civil docket number 3:18-CV-0139-MMD (VPC).¹ The motion to compel was transferred to the Eastern District of New York, pursuant to the May 18, 2018, order of U.S. Magistrate Judge Valerie P. Cooke. See ECF Docket Nos. 6-7. For the following reasons, we respectfully request that the Court sign the enclosed proposed order, granting the government's motion to compel.

¹ As the Court will recall, the government also filed in the Central District of California a motion to compel three California entities, JB Global Holdings, LLC, Global Motivation, Inc., and JB Global, Inc., to comply with document subpoenas served upon them. The California motion to compel and the Nevada motion to compel are substantially the same. The California motion, initially assigned miscellaneous case number 2:18-mc-00038-AB-SK (Central District of California), was transferred to the Eastern District of New York and assigned miscellaneous case number 1:18-mc-01033-AMD (Eastern District of New York). On April 13, 2018, this Court issued an order in case number 1:18-mc-01033, granting the motion to compel the California entities to comply with subpoenas served upon them. Despite the fact that Your Honor's April 13 order was served upon the California entities on April 26, 2018, the California entities have yet to fully comply with the document subpoenas.

The motion to compel was filed in the D. Nev. on March 29, 2018, and served via U.S. Priority Mail on three Nevada entities, JB Global Holdings, LLC, Global Motivation, Inc., and JB Global, Inc. (collectively, the “non-party respondents”) on March 31, 2018. To date, the non-party respondents have not filed a response to the government’s motion to compel despite the fact that their opposition was due on April 17, 2018, pursuant to LR 7-2(b) of the Local Rules of Practice for the United States District Court – D. Nev. Pursuant to LR 7-2(d), “The failure of an opposing party to file points and authorities in response to any motion, except a motion under Fed. R. Civ. P. 56 or a motion for attorney’s fees, constitutes a consent to the granting of the motion.”

On April 17, 2018, the undersigned Assistant U.S. Attorney was contacted by attorney Deborah A. Klar, who informed the undersigned that she was representing the non-party respondents. On April 27, 2018, the non-party respondents produced Quickbooks records that were only partially responsive to the document subpoenas. Ms. Klar initially represented that the non-party respondents would *fully* comply with the document subpoenas and stated that the non-party respondents would produce all responsive documents by May 15, 2018. However, after that self-imposed deadline expired, Ms. Klar notified the government that the responsive documents would not be produced until sometime during the week of May 21, 2018.

The non-party respondents have failed to fully comply with document subpoenas that were served on them over half a year ago, notwithstanding the government’s best efforts to be cooperative. The non-party respondents have also ignored communications from the government following up on the document subpoenas, including letters sent on December 20, 2017, and March 2, 2018. Prior counsel for the defendant, a principal of all three non-party respondents, received copies of the subpoenas via a Fed. R. Civ. P. Rule 45 letter, mailed on November 7, 2017. The undersigned Assistant U.S. Attorney followed up with the defendant Jordan Ross Belfort’s current counsel-of-record with a May 16, 2018, e-mail encouraging counsel to urge the defendant to have his business entities fully respond to the subpoenas as soon as possible. Counsel did not reply to that e-mail.

The non-party respondents’ delay in responding to the document subpoenas has been extensive and seemingly willful. Accordingly, we respectfully request that the Court sign the enclosed proposed order, granting the government’s motion to compel.

Respectfully submitted,

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United States Attorney

By: _____ /s/
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Enclosure

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